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S E C R E T SECTION 01 OF 05 BEIJING 007499

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TAGS: [PARM](#) [PREL](#) [KNNP](#) [MNUC](#) [ETRD](#) [CH](#) [IR](#) [SU](#) [BM](#)

SUBJECT: EAP DAS CHRISTENSEN PRESSES CHINA ON IRAN, BURMA,  
SUDAN, DPRK, HUMAN RIGHTS

REF: A. EAP/CM-BEIJING EMAIL 12/12/07

[1](#)B. P STAFF-BEIJING EMAIL 12/12/07

[1](#)C. BEIJING 7197

Classified By: Political Minister Counselor Aubrey Carlson.  
Reasons 1.4 (b/d).

[1](#)1. (C) Summary: EAP DAS Thomas Christensen told Assistant Foreign Minister (AFM) He Yafei that the National Intelligence Estimate (NIE) only underscores the need for continued pressure on Iran, including via a third UNSC resolution. AFM He said that language in the UNSCR draft on export credits to Iran should be removed, and that China had concerns about designation in the resolution of Bank Melli but probably not the Qods Force. He cautioned that the NIE has "changed the situation," as some countries now seek to restore negotiations and talk about future steps on the issue, with an eye to developing "a new strategy." He complained that "irresponsible remarks" by the United States on Sinopec's Yadavaran oil deal risk undermining U.S.-China relations, including cooperation on the Iranian nuclear issue. He defended PRC sales of conventional arms to Iran, praised U.S.-China cooperation on the DPRK, and, contrary to ongoing U.S. concerns, positively assessed recent developments in Burma. AFM He sought U.S. assistance in influencing rebel groups in Sudan to join the peace process. End Summary.

Iran: Elements of Draft UNSCR

[1](#)2. (C) EAP DAS Thomas Christensen told Assistant Foreign Minister (AFM) He Yafei December 14 that overall U.S.-China relations are strong, with good cooperation on many issues, in particular the DPRK, as well as Sudan and other issues of mutual concern. One continuing challenge is how to improve our cooperation on the Iran issue, which seems to be an important exception to the general trend.

[1](#)3. (C) Drawing on ref A talking points, DAS Christensen expressed appreciation for China's continued engagement in the P5-plus-1 process and AFM He's participation in the December 1 Political Directors meeting in Paris. He stressed that the NIE does not indicate that pressure on Iran is any less necessary than before, and in fact underscores the need for continued pressure, including a third UNSCR. DAS Christensen told AFM He that two entities, Bank Melli and the Qods Force, should be designated in the proposed UNSCR, and passed AFM He ref B nonpaper on these entities.

14. (C) DAS Christensen explained that Bank Melli is involved with entities that were targeted in previous UNSCRs, for example in its handling of transactions for Bank Sepeh. He stressed that it is the "very firm position" of the United States that Bank Melli be designated in the next UNSCR. The Qods Force, Christensen said, are involved in actions that are not only destabilizing for the region, but are also in clear violation of UNSCRs, including the sale and transfer of arms to other countries. On-going support for the Taliban by the Qods Force also violates UNSCRs related to Afghanistan, he added.

15. (C) AFM He described U.S.-China cooperation on Iran within the P5-plus-1 process as "fairly good," but pointed to "normal" differences on "viewpoints and tactics." China agrees that Iran should not develop or possess nuclear weapons. At the same time, China believes that Iran is entitled to the use of nuclear energy for peaceful purposes. China takes the P5-plus-1 process very seriously and has been participating actively.

16. (C) AFM He said that Beijing has noticed that the United States has taken into consideration some of China's concerns on the elements of the proposed third UNSCR circulated, but added that China continues to have additional concerns that are not reflected in the latest draft. He stressed that Beijing stands ready to continue discussions within the P5-plus-1 framework to reach an "early" agreement. AFM He stressed that China's core concern with the elements draft continues to be language on export credits to Iran, and said that "this language" should be removed from the draft. (Note: After the meeting, a MFA staffer clarified that AFM He was indicating that the entire paragraph on export credits

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should be deleted.)

17. (C) AFM He said the PRC would seriously consider the nonpaper on Bank Melli and the Qods Force. AFM He added, however, that in Paris he made clear to U/S Burns that consideration of the Iranian people is very important, and that China continues to have normal trade relations with Iran. Applying sanctions to Bank Melli would have negative implications for the lives of ordinary Iranians as well as undermine normal trade relations with China. He expressed China's "serious reservations" about the proposal, although AFM He added that China takes the proposal very seriously, and if presented credible and sound evidence of the bank's participation in proliferation activities, China would not oppose "appropriate measures" by the UNSC. On the Qods Force, He said that China will provide a response after studying the nonpaper, but added that he does not think there should be any "big problem" with the measure.

Iran: NIE Fallout  
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18. (C) AFM He cautioned that the recent NIE has "changed the situation" on the Iranian nuclear issue, and that "many countries" are reconsidering their approach to the issue. He said that such countries are stressing the need for enhanced diplomacy and a return to negotiations with Iran as the way forward. Germany has proposed, for example, a January meeting of the P5-plus-1 as a way to consider how to restore negotiations and talk about future steps on the issue, with an eye to developing "a new strategy."

19. (C) AFM He said that United States, UK and France appear to seek to separate the two tracks of the dual-track approach by pushing on with a new UNSCR while postponing negotiations to a later stage. The two tracks, he stressed, are related, and separating them will not achieve positive results. If the UNSC takes action, He said, there should be concurrent action on negotiation. Otherwise, he warned, the international community will have doubts about the sincerity of the process and may withdraw support for it.

¶10. (C) AFM He said that China urges the United States to engage in direct dialogue with Iran as the most effective way to deal with the nuclear issue, adding that they have sent the same message to the Iranians. AFM He said that China is willing to work with the United States to "explore" ways to bring this about, suggesting that such contact could take place, for example, within settings such as 6-plus-1, 6-plus-1-plus-IAEA, or even one-on-one talks.

¶11. (C) AFM He told DAS Christensen that China has been engaging with Iran to urge them to work with the IAEA to resolve outstanding issues and respond to the concerns of the international community on Iran's enrichment activities. They have suggested, for example, that Iran accept the "double-freeze" proposal.

Iran: PRC Sales of Conventional Arms  
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¶12. (S) Turning to sales of conventional arms to Iran, DAS Christensen expressed U.S. appreciation for President Hu Jintao's commitment at the APEC summit to address the issue but noted that PRC arms sales to Iran continue and send the wrong signal to Iran, which continues to export instability to the region, most notably through its transfer of arms to groups fighting against Coalition forces in Iraq. Such onward transfers are intolerable to the United States. He also reminded AFM He of the November 23 demarche on M/V Iran Matin, which we believe held, in addition to conventional arms, a chemical precursor used in the production of ballistic missiles and destined for a sanctioned Iranian entity in violation of relevant UNSCRs. With Chinese cargo aboard, DAS Christensen added, the PRC is authorized to recall the ship.

¶13. (C) DAS Christensen summarized by stressing that, given Iran's violation of UNSCRs, destabilizing activities, and efforts to undermine the Middle East Peace Process, the normal relations that China maintains with Iran are, in fact, abnormal.

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¶14. (C) AFM He replied that PRC sales of conventional arms to Iran are "limited" in volume and abide by relevant UNSCRs. In such sales, he added, China requires Iran to sign end-user statements, and China does not allow transfer to third parties. Iran has complained to China about limitations on its purchases of PRC arms, He said. On the export of dual-use items and sensitive technologies, AFM He reaffirmed China's commitment to abide by relevant UNSCRs and China's obligations under international agreements, as well as Chinese law, which constitutes a "very strict" export regime. If a violation is detected, He added, "we will act," noting that China has done so in the past. DAS Christensen referred AFM He to the data presented previously to the Chinese government demonstrating that Iran had transferred Chinese weapons to Iraq in violation of Tehran's agreement with Beijing.

¶15. (S) On the M/V Iran Matin, He disavowed specific knowledge of the case, adding that China is willing to look into the case if the United States is able to provide information on when the cargo was loaded, specifics of the nature of the cargo, and the receiving agent in Iran. DAS Christensen responded that information on the case was already provided in previous demarches and urged China to act on the case.

Iran: Sinopec Yadavaran Deal  
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¶16. (C) DAS Christensen called the recent Sinopec deal to develop oilfields in Yadavaran a "bad signal to Iran" that runs counter to the goal of applying increased pressure on

Iran over the nuclear program. Other partners in the negotiations have been decreasing their economic engagement, and the deal runs contrary to the overall positive spirit of the recently concluded Strategic Economic Dialogue.

¶17. (C) AFM He insisted that the deal is for "provision of services" and thus does not represent investment, underscoring that the deal has no relation to the nuclear issue. Calling the deal an "ordinary and conventional contract," He noted that China is facing growing energy needs and maintains normal trade relations with Iran. He claimed that negotiations over the deal have been ongoing since 2003.

AFM He said China is willing to share more detailed information on the deal with the United States, and that Sinopec representatives have agreed to meet with USG officials on the matter.

¶18. (C) Acknowledging the sensitivity of the agreement for the United States, AFM He said the deal has received a lot of attention domestically as well. He complained that "irresponsible remarks" by the United States are "not helpful" and undermine U.S.-China cooperation on the nuclear issue. He warned that Beijing does not want the Chinese people to believe that the United States is hindering China's overseas trade through the application of domestic U.S. laws to legal international interactions.

#### Six-Party Talks

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¶19. (C) Noting that U.S.-China cooperation in the Six-Party Talks is the best example of our bilateral cooperation on international issues, DAS Christensen urged the Chinese to continue to lead and push the North Koreans to implement all Second Phase Actions by the end of 2007. The Six-Party Talks are in a critical phase. There has been good progress on disablement. It is important that North Korea offer in a timely manner a complete and correct declaration of all nuclear programs so that we can move promptly on to the task of dismantlement.

¶20. (C) AFM He agreed that bilateral cooperation on this issue has been very good. All sides should take the necessary actions for progress in the Six-Party Talks process. The North Koreans understand what is required of them, and EAP A/S Hill's recent visit to North Korea raised specific issues with them. VFM Wu Dawei will be traveling to North Korea soon to discuss these issues.

#### Burma

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¶21. (C) China should encourage the regime to reach out to the opposition and engage in genuine dialogue, DAS Christensen said. He expressed appreciation for China's previous efforts on behalf of dialogue in, and Special Advisor Gambari's visits to, Burma, but stressed U.S. unhappiness with the lack of results. We want Gambari's January visit to achieve real results. Gambari should be allowed unfettered access to truly engage with all sides. Aung Sang Suu Kyi (ASSK) should be allowed full access to opposition and ethnic minority representatives. Pursuit of a new constitution under the regime's "road map" without the input of the opposition would lead to instability, not stability. Likewise, the status quo does not constitute stability.

¶22. (C) AFM He responded that as Burma is China's neighbor, China followed developments there closely. The international community has three objectives for Burma -- stability, development and democracy. Stability is the basis for achieving the other two. China supports the UN role in Burma and has supported Gambari's good offices mission. China welcomes Gambari's January visit to Burma, including a stop in Beijing on his way there. AFM He stressed that the U.S.

practice of pushing for UNSC action each time Gambari returned to New York to report on his efforts is not helpful. The history of the Burma issue is long and complicated. The regime is increasingly attentive to international concerns, but the question is how far the regime can move. The history and on-the-ground reality suggests patience is needed on the part of the international community. The situation is trending in a favorable direction. Rejecting the road map completely could make the regime feel cornered. Perhaps the road map could be taken as the basis for a way forward.

¶23. (C) In China's view, AFM He continued, there has been progress in the political dialogue in Burma. Restrictions on ASSK were relaxed. She can meet with members of her political party. The international community needs to create favorable conditions for the Burmese regime to take more steps. Rather than criticize, we should allow time for the internal dialogue to develop. Also, as the Burmese told VFM Wang Yi (ref C), Burma is willing to have a direct dialogue with the United States. China urges the United States to seize this opportunity. In New York, China is willing to support a "Friends of Burma" group, but -- as is the case with other "Friends of" efforts -- the object of the effort, in this case Burma, should be included.

¶24. (C) DAS Christensen made clear the United States does not share China's positive assessment of either the situation or the trends in Burma. We see the situation there as stagnant. To achieve true stability, the regime needed to open up to the opposition. True stability would only come with democracy. ASEAN and others agree. For U.S.-Burma dialogue to resume, we need to see signs of progress. In the meantime, the international community should maintain pressure on the regime.

Sudan/Darfur  
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¶25. (C) DAS Christensen urged China to press the Sudan Government to remove obstacles to the deployment of UN peacekeeping forces in Darfur. The United States appreciates China's cooperation over the past year and its commitment of engineering troops to UNAMID and condemns threats of force against the Chinese in Sudan. At the same time, the United States is urging rebel groups to sign on to the peace agreement.

¶26. (C) AFM He agreed there is good U.S.-China cooperation on this issue. China talked to the Sudan Government recently on the issue of third-country troop contributions to UNAMID. China believes this should be worked out in the trilateral UN-Sudan-African Union dialogue. To say that the Sudan Government seems unwilling to accept third-country troops is not in accord with the facts. This is a very serious issue for Sudan; the acceptance of third-country troops constituted a major compromise by the Government. Thus, the actual deployment of those troops must be worked out via dialogue and consultation. Perhaps more important than the peacekeeping effort is the political peace process. Only the latter can bring a lasting resolution to the problem. The

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United States, with its great influence with the rebel groups, should urge them to join the peace process. Finally, China thanks the United States for its statements in support for Chinese troops in Darfur in the face of rebel threats. The recent attack on an oil facility is another challenge to the international community. China requested the United States openly condemn this latest threat against Chinese in Sudan and urge the rebels not to take any unwise steps.

Human Rights  
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¶27. (C) DAS Christensen made clear the United States wishes China to host a successful Olympics. Part of that success

would be to showcase China's economic and societal progress. We hope that China will also be able to display openness, freedom of the press and respect for human rights not only in this Olympic year but beyond. In this spirit, DAS Christensen urged the Chinese to resume our bilateral human rights dialogue at an early date.

¶28. (C) AFM He replied that China opposes the politicization of the Olympics and the linkage of the Olympics to human rights, as some have tried to do.

¶29. (U) DAS Christensen cleared this message.

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